



State Capitol | Lansing, Michigan 48913
PH (517) 373.0793 | FAX (517) 373.5607
www.senate.michigan.gov/gop/senator/george/

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Contact: Sherry Sofia
517-373-0793

Sen. George endorses change in Medicaid hospital funding formula

LANSING – The Department of Community Health budget, voted out of the Senate Appropriations Committee today, includes a revision of the Medicaid hospital funding formula, announced Sen. Tom George, R-Texas Twp.

“This is particularly important to urban hospitals that, for example, operate neonatal intensive care units but currently do not qualify for these dollars,” George said.

The proposal would free up \$5 million for out-state hospitals that serve a large number of Medicaid patients. This would enable hospitals across the state to share in recouping some of their funding losses incurred by caring for a large number of Medicaid patients.

“Bronson Methodist Hospital in Kalamazoo has the highest percentage of Medicaid patients of any hospital in out-state Michigan,” said James “Chip” Falahee, Jr., a senior vice president at Bronson. “For years Bronson has been attempting to achieve a more equitable distribution of ‘disproportionate share hospital’ monies.”

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